

#### § 4.28

(6) Legal activities, including litigation, if the disclosure is made to an attorney who is representing or is otherwise responsible to the Department in connection with the activities; or

(7) Procedures that are required to be performed to process an application, e.g., environmental or budget reviews, and technical assistance from experts in fields who are regularly employed by other government agencies, provided that the agency with which the expert is employed or associated is not an applicant for HUD assistance during the pending funding cycle.

(b) An authorized employee, during the selection process, may contact an applicant for the purpose of:

(1) Communication of the applicant's failure to qualify, after a preliminary review for eligibility and completeness with respect to his or her application, and the reasons for the failure to qualify, or the fact of the applicant's failure to be determined to be technically acceptable after a full review; or

(2) Clarification of the terms of the applicant's application. A clarification, for the purpose of this paragraph (b), may include a request for additional information consistent with regulatory requirements.

(c) Prohibition of advance disclosure of funding decisions. During the selection process an employee shall not knowingly disclose any covered selection information regarding the selection process to any person other than an employee authorized to receive that information.

(1) The following disclosures of information are, at any time during the selection process, a violation of Section 103:

(i) Information regarding any applicant's relative standing;

(ii) The amount of assistance requested by any applicant;

(iii) Any information contained in an application;

(2) The following disclosures of information, before the deadline for the submission of applications, shall be a violation of Section 103:

(i) The identity of any applicant; and

(ii) The number of applicants.

#### 24 CFR Subtitle A (4-1-03 Edition)

#### § 4.28 Civil penalties.

Whenever any employee knowingly and materially violates the prohibition in Section 103, the Department may impose a civil money penalty on the employee in accordance with the provisions of 24 CFR part 30.

#### § 4.30 Procedure upon discovery of a violation.

(a) *In general.* When an alleged violation of Section 103 or this subpart B comes to the attention of any person, including an employee, he or she may either:

(1) Contact the HUD Ethics Law Division to provide information about the alleged violation; or

(2) Contact the HUD Office of Inspector General to request an inquiry or investigation into the matter.

(b) *Ethics Law Division.* When the Ethics Law Division receives information concerning an alleged violation of Section 103, it shall refer the matter to the Inspector General stating the facts of the alleged violation and requesting that the Inspector General make an inquiry or investigation into the matter.

(c) *Inspector General.* When the Inspector General receives information concerning an alleged violation of Section 103 or this subpart B, he or she shall notify the Ethics Law Division when the Inspector General begins an inquiry or investigation into the matter.

(d) *Protection of employee complaints.* (1) No official of the Ethics Law Division, after receipt of information from an employee stating the facts of an alleged violation of this part, shall disclose the identity of the employee without the consent of that employee. The Inspector General, after receipt of information stating the facts of an alleged violation of this part, shall not disclose the identity of the employee who provided the information without the consent of that employee, unless the Inspector General determines that disclosure of the employee's identity is unavoidable during the course of an investigation. However, any employee who knowingly reports a false alleged violation of this part is not so protected and may be subject to disciplinary action.